



Sean Rogan
Executive Director

**HOUSING AUTHORITY
of the County of Los Angeles**

Administrative Office

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Gloria Molina
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Commissioners

November 09, 2010

The Honorable Board of Commissioners
Housing Authority of the
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Commissioners:

**AUTHORIZE EXECUTIVE DIRECTOR TO AMEND THE INTERAGENCY AGREEMENT WITH THE
HOUSING AUTHORITY OF THE CITY OF LOS ANGELES TO INCLUDE SPONSOR BASED AND
PROJECT BASED RENTAL ASSISTANCE SHELTER PLUS CARE GRANTS
(ALL DISTRICTS) (3 VOTES)**

SUBJECT

This letter recommends approval of an amendment to the Interagency Agreement between the Housing Authority of the County of Los Angeles (Housing Authority) and the Housing Authority of the City of Los Angeles (HACLA) relating to the U.S. Department of Housing and Urban Development (HUD) Shelter Plus Care Program. Currently, the Interagency Agreement allows for the mutual acceptance of each jurisdiction's tenant based vouchers. The proposed amendment will expand the Agreement to include sponsor based and project based grants.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the execution of this Interagency Agreement is not subject to the provisions of the California Environmental Quality Act (CEQA) because the activities are not defined as a project under CEQA.
2. Authorize the Executive Director to amend the existing Interagency Agreement with HACLA relating to the HUD Shelter Plus Care Program to include sponsor based and project based rental assistance grants, to be effective on the date of Board approval.
3. Authorize the Executive Director to further amend the Interagency Agreement with HACLA to extend the term and to incorporate any other administrative provisions that may be required for the purposes described above, following approval as to form by County Counsel.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this action is to authorize the Executive Director of the Housing Authority to expand the existing Interagency Agreement with HACLA related to the administration of HUD Shelter Plus Care (SPC) grants to include sponsor based and project based grants in addition to the tenant based grants that are currently covered in the agreement. This amendment to the Interagency Agreement will help provide more affordable supportive housing options for homeless individuals and families who are participants of HUD SPC Program. It allows the participants to use the tenant based vouchers in either the County or the City of Los Angeles, and it also encourages affordable supportive housing development through the guaranteed income source of project based and sponsor based rental assistance.

FISCAL IMPACT/FINANCING

There is no impact on the County general fund. The rental assistance will be funded through the HUD SPC Program in the form of tenant based, sponsor based, and project based vouchers issued to the Housing Authority. Since 1995, the Housing Authority has been awarded 26 HUD SPC grants currently totaling over \$31,516,336 to provide housing assistance payments for 781 homeless families and individuals. The HUD grants are matched dollar for dollar in case management and supportive services from the contracted sponsor agencies and their subcontracted service providers.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Los Angeles County Homeless Continuum of Care (CoC) system includes both the County and City of Los Angeles. According to the Los Angeles Homeless Services Authority 2009 Homeless Count, there are approximately 42,694 homeless people within the Los Angeles CoC of which two-thirds were unsheltered. The Los Angeles CoC includes all of Los Angeles County, excluding the cities of Glendale, Long Beach, and Pasadena who administer and operate their own respective Continuum of Care systems. The 42,694 persons counted within the Los Angeles CoC include 4,885 individuals that are members of families.

The SPC Program addresses the housing needs of the homeless population by providing access to permanent, affordable housing linked with integrated supportive services tailored to each client's multiple needs for mental health and substance abuse treatment, health care, rehabilitation, life skills, income supports and other services. Studies have shown that persons who receive supportive services in housing of their choice, appropriate to their preferences and needs, tend to remain housed.

The Housing Authority and HACLA believe it is in the best interests of the participants and the program overall to expand the Agreement to include sponsor based and project based grants. Expanding the Agreement to include the administration of sponsor and project based SPC grants in both HACLA's and the Housing Authority's jurisdictions will provide the participants more affordable supportive housing choices and in turn helps HACoLA with its lease up efforts.

Since the Interagency Agreement between HACLA and the Housing Authority was initially executed December 1, 2006, the Housing Authority has fully leased the 2005 SPC Samaritan Grant from HUD assisting 111 disabled, single, homeless individuals. In 2007, the Agreement was amended to include all tenant based SPC grants. The Housing Authority has been able to achieve an

approximated 90% lease up rate in its SPC Program in part due to the ability to offer homeless clients affordable supportive housing options in the city of Los Angeles.

The amended Interagency Agreement has been reviewed by County Counsel. It will be effective following approval as to form by County Counsel and execution by all parties. On October 27, 2010, the Housing Commission recommended approval of the Agreement.

ENVIRONMENTAL DOCUMENTATION

Approval of this amendment to the Interagency Agreement with HACLA is exempt from the provisions of the National Environmental Policy Act pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(3) because it involves administrative activities that will not have a physical impact on or result in any physical changes to the environment. This action is not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378, because it is not defined as a project under CEQA and does not have the potential for causing a significant effect on the environment.

NEPA and CEQA review and clearance of SPC grant funded projects will be completed on a project by project basis prior to funding approval for each project.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The Interagency Agreement will allow homeless clients who participate in any of the three components of the Shelter Plus Care Program, 1) tenant, 2) sponsor or 3) project based rental assistance, to locate housing within the County or City of Los Angeles. It will allow the Housing Authority to administer any of its SPC grants within the City of Los Angeles and thus more fully utilize the funding.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Sean Rogan", followed by a horizontal line.

SEAN ROGAN
Executive Director

SR:gc

Enclosures

**AMENDMENT NO. 4 TO THE
INTERAGENCY AGREEMENT
FOR THE
SHELTER PLUS CARE
PROGRAM**

This Amendment No. 4 ("Amendment") to the Interagency Agreement for the Shelter Plus Care Program ("Agreement") is made and entered into this ____ day of _____, 2010, by and between the Housing Authority of the County of Los Angeles, hereinafter referred to as "HACoLA", and the Housing Authority of the City of Los Angeles, hereinafter referred to as "HACLA". HACoLA and HACLA are sometimes referred to collectively as the "Parties" and each individually as a "Party".

RECITALS

WHEREAS, on December 1, 2006 HACoLA and HACLA entered into a five-year Interagency Agreement, allowing HACoLA to administer a portion of the 2005 SPC Tenant Based Rental Assistance ("TRA") Samaritan Bonus Grant within HACLA's jurisdiction; and

WHEREAS, on August 1, 2007, HACoLA and HACLA entered into Amendment No. 1 to allow administration of all HACoLA SPC-TRA grants within HACLA's jurisdiction and administration of all HACLA SPC-TRA grants within HACoLA's jurisdiction in order to maximize lease up of each Party's SPC-TRA grants, and also to set an early Agreement expiration date of August 30, 2008, unless further extended by mutual agreement of the parties; and

WHEREAS, on August 30, 2008, HACoLA and HACLA entered into Amendment No. 2, to extend the Agreement for an additional two years through August 30, 2010 to allow the Parties to continue to administer all SPC-TRA grants within each Party's jurisdiction; and

WHEREAS, on August 30, 2010, HACoLA and HACLA entered into Amendment No. 3, to extend the Agreement for an one year through August 30, 2011 to allow the Parties to continue to administer all SPC-TRA grants within each Party's jurisdiction; and

WHEREAS, the Parties now wish to further expand the Agreement to include Project Based and Sponsored Based SPC grants.

NOW THEREFORE, in consideration of the mutual undertakings described herein, HACoLA and HACLA agree that the Agreement be amended as follows:

AMENDMENT

1. Section 4. HACoLA RESPONSIBILITIES is hereby amended to read as follows:

HACoLA will perform **all** SPC grant contract administration duties associated with its HUD SPC Grant Agreements for tenant based, sponsor based, and project based SPC grants. Such duties shall include those associated with certificates utilized within HACLA's jurisdiction, which HACLA hereby authorizes.

2. Section 5. HACLA RESPONSIBILITIES is hereby amended to read as follows:

HACLA will perform **all** SPC grant contract administration duties associated with its HUD SPC Grant Agreements for tenant based, sponsor based, and project based SPC grants. Such duties shall include those associated with certificates utilized within HACoLA's jurisdiction, which HACoLA hereby authorizes.

3. All other terms and conditions of the Agreement shall remain in full force and effect.

[illegible]

SIGNATURES

IN WITNESS WHEREOF, HACoLA and HACLA have executed this Amendment No. 4 through their duly authorized officers on the date first above written.

HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES

By: _____
Sean Rogan, Executive Director

_____ Date

HOUSING AUTHORITY OF THE CITY OF LOS ANGELES:

By: _____
Rudolf C. Montiel, President and CEO

_____ Date

APPROVED AS TO FORM:

Andrea Sheridan Ordin
County Counsel

Carmen A. Trutanich
City Attorney

By: _____
Grace Chang
Deputy

By: _____
Michael V. Custodio
Deputy City Attorney

Date _____

Date: _____